

AMENDMENT ___ – To reduce the appropriation for Departmental Administration of the Department of Energy so that the Department can set an example for all Americans by reducing unnecessary energy usage

The Department of Energy is designated as the lead federal agency for energy efficiency efforts. In this role, the Department coordinates energy efficiency efforts for all federal agencies, and also it is also the primary outlet for federal energy efficiency programs and enforcement for the private sector.

Despite this central role, the Department is the largest consumer of energy among all federal civilian agencies (excluding the postal service) and unlike most other agencies, has actually increased its energy usage in the most recent reporting period.

The Department of Energy's Inspector General found at least \$13.8 million in wasted energy costs due to inefficient technology and poor temperature controls at the agency.

This amendment would reduce administrative funds at the Department of Energy by \$13.8 million in order to encourage them to lead by example in reducing their energy usage.

The Department of Energy (DOE) consumes more energy than all but one other federal civilian agency (US Postal Service).

In a detailed report released by the Federal Energy Management Program (FEMP), itself a DOE agency, the Department of Energy ranks only behind the US Postal Service in energy consumption among all civilian agencies.¹

That report indicates that DOE consumed nearly 75,000 billion of BTU's in FY 2006. Worse, while most agencies saw a reduction in energy usage between the two most recent reporting periods (2005-2006), DOE energy consumption actually increased nearly 5 percent. Only the Department of Justice has a bigger jump.

¹ Department of Energy, Federal Energy Management Program; "Annual Report to Congress on Federal Government Energy Management and Conservation Programs FY 2006;" November 26, 2008; <http://www1.eere.energy.gov/femp/pdfs/annrep06.pdf>.

The agency spends an estimated \$300 million annually “to provide energy to over 9,000 federal buildings at its facilities.”²

There are many legitimate reasons for the agency’s large consumption rate, including its important nuclear decommissioning work and its cutting edge energy research programs.

However, as the lead federal agency for energy efficiency agency efforts, the Department of Energy must do better in areas such as turning off the lights and using more efficient hardware technology.

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The agency’s own Inspector General has released three audit reports within the past year raising serious concern regarding the agency’s commitment to energy efficiency.

An October 2008 report highlighted the failure of agency contracted data centers monitor duplicated services (e-mail, data storage), and to utilize efficient hardware technologies. Just for the six sites audited, the IG estimates that the agency could have saved \$2.3 million annually.³

A May 2009 IG Audit revealed similar concerns with the Department’s management of its massive Information Technology resources. The agency spends an estimated \$2 billion annually on IT resources, and its failure to adopt accepted IT energy efficiency standards is preventing major cost savings. For instance, of the just the seven sites audited, failure to adopt accepted efficiency is practices is wasting the “equivalent to the annual power requirements of over 2,400 homes or, alternatively, removing about 3,000 cars from the road each year.”⁴

² Department of Energy, Inspector General: “The Department of Energy’s Opportunity for Energy Savings Through the Use of Setback in its Facilities,” July 2009, <http://www.ig.energy.gov/documents/IG-0817.pdf>.

³ Department of Energy, Inspector General: “Management of Department’s Data Centers,” October 2008, <http://www.ig.energy.gov/documents/IG-0803.pdf>.

⁴ Department of Energy, Inspector General: “Department of Energy Efforts to Manage Information Technology in an Energy Efficient and Environmental Responsible Manner; May 2009; <http://www.ig.energy.gov/documents/OAS-RA-09-03.pdf>.

In a report just released regarding agency heating and air conditioning usage, the Inspector General noted with concern: “In spite of its energy conservation leadership role, we found that the department and its facility contractors did not place adequate emphasis on reducing energy consumption” by adjusting their after-hours thermostats.”⁵

These thermostat standards are federal law. Title 41, Section 102-74.185 requires in part: “(c) Set heating temperatures no higher than 55 degrees Fahrenheit during non-working hours; (d) Not provide air-conditioning during non-working hours, except as necessary to return space temperatures to a suitable level for the beginning of working hours.”

The IG estimates the agency wastes \$11.5 million annually, by simply refusing to adhere to these federal thermostat guidelines (and by using programmable thermostat setbacks). More to the point, the energy savings would be enough to power 9,800 homes for an entire year.

As lead agency for energy efficiency efforts within the federal government, the Department of energy should follow its own energy efficiency guidelines.

The Federal government is the single largest consumer of energy in the United States.⁶

To demonstrate their commitment to reducing federal energy usage Congress and several administration have established specific goals and policies in the National Energy Policy Act of 2001, the National Energy Conservation Policy Act, the Energy Independence and Security Act of 2007(EISA), and Executive Order 13423.

Coordinating and monitoring these energy efficiency efforts is the Department of Energy’s Federal Energy Management Program (FEMP).

The Federal Energy Management Program’s (FEMP) role is to “facilitate the Federal Government's implementation of sound, cost-effective energy management and investment practices to enhance the nation's energy security and environmental stewardship. This is delivered through project

⁵ Department of Energy, Inspector General: “The Department of Energy’s Opportunity for Energy Savings Through the Use of Setback in its Facilities,” July 2009, <http://www.ig.energy.gov/documents/IG-0817.pdf>.

⁶ Federal Energy Management Program: “About Us,” Last accessed on July 28, 2009, <http://www1.eere.energy.gov/femp/about/about.html>.

transaction services, applied technology services, and decision support services.”⁷

FEMP describes its role this way: “The Federal Government, as the nation's largest energy consumer, has a tremendous opportunity and clear responsibility to lead by example. FEMP is central to this responsibility, guiding agencies to use funding more effectively in meeting Federal and agency-specific energy management objectives.”⁸

While Senator appropriators note a “lack of progress” for the program, the Senate bill rewards FEMP with a major increase in spending—increasing the program from \$22 million to \$32 million.⁹

The Department of Energy is responsible for numerous private sector energy efficiency programs and enforcement, and should increase its energy efficiency in order to re-gain the confidence of the general public.

DOE is responsible for enforcing federal energy efficiency standards that apply to the private sector, particularly appliance manufacturers. The Department is not shy in enforcing these mandates, often on the very same issues where it is failing internally.

Consider the following examples:

Four days after the Inspector General exposed major problems with DOE’s management of its own heating and cooling systems, the agency announced its decision to subpoena records from AeroSys, Inc “to obtain data necessary to determine whether certain AeroSys commercial air conditioners and heat pumps comply with relevant DOE energy efficiency standards.”

That press release goes on to note: “President Obama and Energy Secretary Steven Chu have moved aggressively to clear the backlog of

⁷ Federal Energy Management Program website: “About the Program,” Last accessed on July 28, 2009, <http://www1.eere.energy.gov/femp/about/about.html>.

⁸ Federal Energy Management Program website: “About the Program,” Last accessed on July 28, 2009, <http://www1.eere.energy.gov/femp/about/about.html>.

⁹ Senate Committee on Appropriations: “Energy and Water Development Appropriations Bill, 2010, Committee Report Number 111-45, page 92, http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111_cong_reports&docid=f:sr045.111.pdf.

energy efficiency standards for appliances, and to reinforce DOE's efforts to save energy for U.S. residents and businesses.”¹⁰

The Department of Energy has recently announced new rules intended to “toughen” standards on the types of light bulbs Americans can use in their homes. ¹¹

In the same announcement, the Department of Energy has also announced “tough” new standards for most home appliances.¹²

As the agency is stepping up its effort to promote (and enforce) new efficiency standards on all Americans, it must be a model itself.

Consider the words of the Department of Energy’s counsel regarding the need for enforcement standards in the private sector:

*“In order for the Department of Energy’s efficiency standards to effectively promote the development and distribution of energy efficient products that will save energy and reduce costs for millions of Americans, we must ensure that these standards are aggressively and **consistently enforced.**”¹³*

DOE must apply that same advice to its own internal energy management.

Anything less is an affront to taxpayers, and further erodes confidence in the federal government.

¹⁰ Department of Energy press release; “DOE Subpoenas for Compliance Data from AeroSys, Inc,” July 24, 2009, http://apps1.eere.energy.gov/news/news_detail.cfm/news_id=12671.

¹¹ Galbraith, Kate, New York Times: “Obama Toughens Some Rules for Lighting,” June 29, 2009, <http://www.nytimes.com/2009/06/30/business/energy-environment/30light.html>.

¹² Environmental Leader; “Obama Order Tough Energy Efficiency Standards for Home Appliances,” February 6, 2009, <http://www.environmentalleader.com/2009/02/06/obama-orders-tough-energy-efficiency-standards-for-home-appliances/>.

¹³ Department of Energy press release; “DOE Subpoenas for Compliance Data from AeroSys, Inc,” July 24, 2009, http://apps1.eere.energy.gov/news/news_detail.cfm/news_id=12671.